



General Assembly

Substitute Bill No. 6209

January Session, 2007

* _____HB06209GAE____041107_____*

AN ACT CONCERNING THE RENEWABLE ENERGY INVESTMENT FUND.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 16-245n of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2007*):

3 (a) For purposes of this section, "renewable energy" means solar
4 energy, wind, ocean thermal energy, wave or tidal energy, fuel cells,
5 landfill gas, hydrogen production and hydrogen conversion
6 technologies, low emission advanced biomass conversion technologies,
7 usable electricity from combined heat and power systems with waste
8 heat recovery systems, thermal storage systems and other energy
9 resources and emerging technologies which have significant potential
10 for commercialization and which do not involve the combustion of
11 coal, petroleum or petroleum products, municipal solid waste or
12 nuclear fission.

13 (b) On and after July 1, 2004, the Department of Public Utility
14 Control shall assess or cause to be assessed a charge of not less than
15 one mill per kilowatt hour charged to each end use customer of electric
16 services in this state which shall be deposited into the Renewable
17 Energy Investment Fund established under subsection (c) of this
18 section. Notwithstanding the provisions of this section, receipts from
19 such charges shall be disbursed to the resources of the General Fund

20 during the period from July 1, 2003, to June 30, 2005, unless the
21 department shall, on or before October 30, 2003, issue a financing order
22 for each affected distribution company in accordance with sections 16-
23 245e to 16-245k, inclusive, to sustain funding of renewable energy
24 investment programs by substituting an equivalent amount, as
25 determined by the department in such financing order, of proceeds of
26 rate reduction bonds for disbursement to the resources of the General
27 Fund during the period from July 1, 2003, to June 30, 2005. The
28 department may authorize in such financing order the issuance of rate
29 reduction bonds that substitute for disbursement to the General Fund
30 for receipts of both charges under this subsection and subsection (a) of
31 section 16-245m and also may in its discretion authorize the issuance of
32 rate reduction bonds under this subsection and subsection (a) of
33 section 16-245m that relate to more than one electric distribution
34 company. The department shall, in such financing order or other
35 appropriate order, offset any increase in the competitive transition
36 assessment necessary to pay principal, premium, if any, interest and
37 expenses of the issuance of such rate reduction bonds by making an
38 equivalent reduction to the charges imposed under this subsection,
39 provided any failure to offset all or any portion of such increase in the
40 competitive transition assessment shall not affect the need to
41 implement the full amount of such increase as required by this
42 subsection and sections 16-245e to 16-245k, inclusive. Such financing
43 order shall also provide if the rate reduction bonds are not issued, any
44 unrecovered funds expended and committed by the electric
45 distribution companies for renewable resource investment through
46 deposits into the Renewable Energy Investment Fund, provided such
47 expenditures were approved by the department following August 20,
48 2003, and prior to the date of determination that the rate reduction
49 bonds cannot be issued, shall be recovered by the companies from
50 their respective competitive transition assessment or systems benefits
51 charge except that such expenditures shall not exceed one million
52 dollars per month. All receipts from the remaining charges imposed
53 under this subsection, after reduction of such charges to offset the
54 increase in the competitive transition assessment as provided in this

55 subsection, shall be disbursed to the Renewable Energy Investment
56 Fund commencing as of July 1, 2003. Any increase in the competitive
57 transition assessment or decrease in the renewable energy investment
58 component of an electric distribution company's rates resulting from
59 the issuance of or obligations under rate reduction bonds shall be
60 included as rate adjustments on customer bills.

61 (c) There is hereby created a Renewable Energy Investment Fund
62 which shall be administered by Connecticut Innovations, Incorporated.
63 The fund may receive any amount required by law to be deposited
64 into the fund and may receive any federal funds as may become
65 available to the state for renewable energy investments. [Connecticut
66 Innovations, Incorporated, may use any] Any amount in said fund
67 may be used for expenditures which promote investment in renewable
68 energy sources in accordance with a comprehensive plan developed by
69 it to foster the growth, development and commercialization of
70 renewable energy sources, related enterprises and stimulate demand
71 for renewable energy and deployment of renewable energy sources
72 which serve end use customers in this state. Such expenditures may
73 include, but not be limited to, grants, direct or equity investments,
74 contracts or other actions which support research, development,
75 manufacture, commercialization, deployment and installation of
76 renewable energy technologies, and actions which expand the
77 expertise of individuals, businesses and lending institutions with
78 regard to renewable energy technologies.

79 (d) The [chairperson of the board of directors of Connecticut
80 Innovations, Incorporated, shall] Department of Public Utility Control
81 shall appoint and convene a Renewable Energy Investments Advisory
82 Committee to assist [Connecticut Innovations, Incorporated,] in
83 matters related to the Renewable Energy Investment Fund, including,
84 but not limited to, development of a comprehensive plan and
85 expenditure of funds. The advisory committee shall, in such plan, give
86 preference to projects that maximize the reduction of federally
87 mandated congestion charges. The plan shall be consistent with the
88 comprehensive energy plan approved by the Connecticut Energy

89 Advisory Board pursuant to section 16a-7a. The advisory committee
90 shall include not more than [twelve] twenty individuals with
91 knowledge and experience in matters related to the purpose and
92 activities of said fund. The advisory committee shall consist of the
93 following members: (1) One person with expertise regarding
94 renewable energy resources appointed by the speaker of the House of
95 Representatives; (2) one person representing a state or regional
96 organization primarily concerned with environmental protection
97 appointed by the president pro tempore of the Senate; (3) one person
98 with experience in business or commercial investments appointed by
99 the majority leader of the House of Representatives; (4) one person
100 representing a state or regional organization primarily concerned with
101 environmental protection appointed by the majority leader of the
102 Senate; (5) one person with experience in business or commercial
103 investments appointed by the minority leader of the House of
104 Representatives; (6) one person with experience in business or
105 commercial investments appointed by the minority leader of the
106 Senate; (7) two state officials with experience in matters relating to
107 energy policy and one person with expertise regarding renewable
108 energy resources appointed by the Governor; [and] (8) three persons
109 with experience in business or commercial investments appointed by
110 the board of directors of Connecticut Innovations, Incorporated; (9) a
111 representative of a state-wide manufacturing association appointed by
112 the Governor; (10) a representative of a state-wide business association
113 appointed by the Governor; (11) the Consumer Counsel; (12) the
114 Secretary of the Office of Policy and Management; (13) the
115 Commissioner of Environmental Protection; (14) a representative of
116 residential customers appointed by the president pro tempore of the
117 Senate; (15) a representative of a chamber of commerce appointed by
118 the Governor; and (16) a representative of low-income customers
119 appointed by the speaker of the House of Representatives. The
120 advisory committee shall issue annually a report to [such chairperson]
121 the department reviewing the activities of the fund in detail and shall
122 provide a copy of such report, in accordance with the provisions of
123 section 11-4a, to the joint standing committee of the General Assembly

124 having cognizance of matters relating to energy [, the Department of
125 Public Utility Control] and the Office of Consumer Counsel. The report
126 shall include a description of the programs and activities undertaken
127 during the reporting period jointly or in collaboration with the Energy
128 Conservation and Load Management Funds established pursuant to
129 section 16-245m.

130 (e) There shall be a joint committee of the Energy Conservation
131 Management Board and the Renewable Energy Investments Advisory
132 Committee, as provided in subdivision (2) of subsection (d) of section
133 16-245m.

134 (f) No later than December 31, 2006, and no later than December
135 thirty-first every five years thereafter, the advisory committee shall,
136 after consulting with the Energy Conservation Management Board,
137 conduct an evaluation of the performance of the programs and
138 activities of the fund and submit a report, in accordance with the
139 provisions of section 11-4a, of the evaluation to the joint standing
140 committee of the General Assembly having cognizance of matters
141 relating to energy.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2007	16-245n

ET *Joint Favorable Subst.*

GAE *Joint Favorable*